

Hoosier Healthwise Program MCO Contract Procurement

Note: This notice is important for all Indiana Health Coverage Program (IHCP) providers.

The Office of Medicaid Policy and Planning (OMPP) is currently in the process of procuring new managed care organizations (MCOs) contracts for the Hoosier Healthwise program. For a complete copy of the Request for Proposal ([RFP 4-79](#)) please contact:

Indiana Department of Administration (IDOA)
Procurement Personnel
402 West Washington Street
Room W468
Indianapolis, IN 46204
Phone (317) 232-3053 / Fax (317) 232-7312

MCOs who have submitted responses to the RFP are (in alphabetical order):

- AmeriGroup
- CareSource
- Harmony Health Plan
- Managed Health Services
- MDwise
- Molina

IHCP providers may be contacted by any one or more of these companies, particularly if located in a mandatory MCO county. Names of the MCOs selected for contract negotiations will be posted on the www.indianamedicaid.com website when the IDOA *Notification of Award* is issued. The OMPP cannot release or discuss the RFP or the individual responses until the MCO contracts are signed.

Summary of Milestones

Table 1 provides an illustration of the MCO contract procurement process.

Table 1 – MCO Contract Procurement Process

Activity	Date
Proposal submission date	July 21, 2004
IDOA notifies selected MCO respondents*	September 13, 2004
Contract signed by MCO respondents*	September 24, 2004
MCOs may start signing PMP agreements	October 1, 2004
Signed PMP agreements are due to MCO to keep current members	November 1, 2004
MCO contract effective date	January 1, 2005

**Note: Due to the unpredictable nature of the evaluation period, these dates are subject to change.*

New Features

While the program has been successful in meeting its goals, the State is enhancing the Hoosier Healthwise program for this procurement. The State will be implementing new features, or modifying existing features of the program, such as those outlined below.

- All selected MCOs will have equal opportunity to contract with primary medical providers (PMPs) since current MCO PMP contracts terminate December 31, 2004. In addition, to allow time for PMP recruitment activities, the MCOs shall not execute any PMP contract for this procurement before October 1, 2004. PMPs with current MCO contracts must have new contracts signed and returned to the MCO by November 1, 2004 to keep their members past December 31, 2004.
- MCO contracts resulting from this procurement will be effective January 1, 2005 and will authorize the MCOs to operate statewide. Selected MCOs must immediately initiate network development activities in all mandatory RBMC counties. The following counties are mandatory RBMC counties:
 - Allen
 - Delaware
 - Elkhart
 - Grant
 - Howard
 - Johnson
 - Lake
 - LaPorte
 - Madison
 - Marion
 - Morgan
 - Porter
 - St. Joseph
- The State plans to continue to add to the list of mandatory RBMC counties, but no timeframe or schedule has been established at this time. The following counties currently meet the established criteria for consideration:
 - Clark
 - Floyd
 - Monroe
 - Vanderburgh
 - Vigo
- The State will monitor each participating MCO's member enrollment in the mandatory RBMC counties on a county-by-county basis and may limit auto assignment for MCOs approaching a pre-determined number of members per county to ensure sufficient member choice among the MCOs participating in that county.
- Additional MCO network requirements are listed below for PMPs, specialists, and ancillary providers.

Primary Medical Provider (PMP) Requirements

In counties where both PCCM and RBMC are available, the Hoosier Healthwise PMP may participate as a PMP in only one delivery system, i.e., either PCCM or RBMC. This does not prohibit the PMP from maintaining fee-for-service or PCCM enrollment for non-Hoosier Healthwise members (for example, Traditional Medicaid or *Medicaid Select* members). When the physician elects, or as in the mandatory RBMC counties is required to participate in the RBMC delivery system, he/she may contract as a PMP with only one MCO. However, an MCO PMP may participate as a specialist in any other Hoosier Healthwise managed care plan.

Specialist, Hospital and Ancillary Provider Network Requirements

Specialty providers participating in Hoosier Healthwise may contract with both the PrimeStep program and the MCO. Unlike PMPs, specialist, hospital and ancillary providers are not limited to serve in only one MCO network. In addition, physicians contracted as a PMP with one MCO may contract as a specialist with the other Hoosier Healthwise plans.

The MCO must include a minimum of two specialists and ancillary providers of each type identified in Table 2 for each mandatory MCO county, or meet other access standards established by OMPP.

Table 2 – Mandatory MCO County Provider Network

Physician Specialties	Self-referral Practitioners	Ancillary Providers
<ul style="list-style-type: none">▪ Cardiologist▪ Orthopedic Surgeon▪ Otologist or Otolaryngologist▪ Urologist	<ul style="list-style-type: none">▪ Chiropractor▪ Family Planning Practitioner▪ Ophthalmologist or Optometrist▪ Podiatrist	<ul style="list-style-type: none">▪ Durable Medical Equip (DME)▪ Home Health▪ Pharmacy

Considering the nature of the services some ancillary providers render, OMPP requires that MCOs maintain different network access standards, as follow, for DME, home health and pharmacy providers.

- Two durable medical equipment providers and two home health providers must be available to provide services to the MCO's members in each of the mandatory RBMC counties.
- Two pharmacy providers must be within 30 miles or 30 minutes from a member's residence in each of the mandatory RBMC counties.

Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs)

Since Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) are essential community providers, the State strongly encourages the MCO to contract with FQHCs and RHCs, particularly in the mandatory RBMC counties.

Benefits and Services

The MCOs may provide additional enhanced services (for example, prenatal care education programs), but the basic Hoosier Healthwise program benefits and services remain the same. Following is a summary of the self-referral, carve-out, and excluded services.

Carve-out Services

IHCP members enrolled in a Hoosier Healthwise MCO are eligible to receive some services that are not the financial responsibility of the MCO. These are referred to as “carved-out” services and are adjudicated by the IHCP according to fee-for-service guidelines. MCO members can obtain covered IHCP carved-out services from any IHCP provider qualified to render the care. Providers of these services submit their claims directly to EDS and are reimbursed on a fee-for-service basis whether or not their services are rendered within a member’s MCO network. The carved-out services bypass the managed care edits 2017 and 2018 when rendered by the provider types and specialties identified in Table 3.

If the services are not carved out, claims submitted to EDS for reimbursement of services rendered to MCO members are systematically denied with edit 2017 or 2018, dependent upon the claim type. These edits state that the member is enrolled in a RBMC plan with the Hoosier Healthwise program, and the member must seek care from the appropriate MCO.

Self-Referral Services

Hoosier Healthwise members can seek care from any IHCP-enrolled provider qualified to render self-referral services, and without obtaining authorization from their PMP. An MCO may encourage its members to obtain care within its network, but it retains financial responsibility for self-referral services whether or not they are rendered within their network. In the absence of an agreement to the contrary, the MCO must reimburse out-of-network providers at the minimum amount listed on the IHCP Fee Schedule. PrimeStep PCCM members are not required to obtain certification from their PMP for self-referral services. Regardless of whether the member is part of an MCO or PrimeStep PCCM, certain services provided by a self-referral provider may require PA. Providers should refer to the *Indiana Administrative Code (IAC)* and the *IHCP Provider Manual* for further information. In the case of MCO members, the provider must contact the MCO to obtain PA when required.

Table 3 - Summary of Carve-Out and Self-Referral Services by Hoosier Healthwise Delivery System

Services	MCO (RBMC) members	PrimeStep (PCCM) members
Chiropractic Services Services provided by IHCP-enrolled provider specialty 150.	Self-referral* Claims go to MCO	Self-referral Claims go to EDS
Dental Services Services provided by IHCP-enrolled provider specialty 270-277	Carve-out and Self-referral Claims go to EDS	Self-referral Claims go to EDS
Diabetes self management training services	Self-referral	Self-referral

Services	MCO (RBMC) members	PrimeStep (PCCM) members
Services for procedure codes G0108, ½ hour individual and G0109, ½ hour group, are available on a self-referral basis from any IHCP-enrolled chiropractor, podiatrist, optometrist, or psychiatrist who has had specialized training in the management of diabetes.	Claims go to MCO MCOs can require that diabetes self-management training services from other qualified health care professionals be provided within the MCO network. MCOs also can require members to obtain prior approval for payment to out-of-network providers.	Claims go to EDS
Emergency Services Services rendered for the treatment of a true emergency or <i>prudent layperson</i> emergency.	Self-referral Claims go to MCO Does not include non-emergency services that must receive PA from the MCO to be paid.	Self-referral Claims go to EDS
Family Planning Services Procedures and diagnosis codes, as defined in the <i>IHCP Manual</i> .	Self-referral Claims go to MCO	Self-referral Claims go to EDS
HIV/AIDS targeted case management services Procedure code G9012, Other specified case management service not elsewhere classified.	Self-referral Claims go to MCO	Self-referral Claims go to EDS
Individualized Education Plan (IEP) Services provided by a school corporation, IHCP-enrolled provider specialty 120, as part of a student's IEP.	Carve-out Claims go to EDS	Self-referral Claims go to EDS
Behavioral Health Services Services provided by IHCP-enrolled provider specialties 011, 110-117, and 339.	Carve-out and Self-referral Claims go to EDS	Self-referral Claims go to EDS
Pharmacy Services provided by IHCP-enrolled provider specialty 240.	Use MCO network Claims go to MCO	Self-referral Claims go to EDS
Podiatric Services Services provided by IHCP-enrolled provider specialty 140.	Self-referral* Claims go to MCO	Self-referral Claims go to EDS
Transportation Services provided by IHCP-enrolled provider specialties 260-266.	Use MCO network Claims go to MCO	Self-referral Claims go to EDS
Vision care (except surgery) Services provided by IHCP-enrolled	Self-referral*	Self-referral

Services	MCO (RBMC) members	PrimeStep (PCCM) members
provider specialties 180 and 190.	Claims go to MCO	Claims go to EDS

**Note: Self-referral providers indicated with an asterisk must seek Prior Authorization (PA) before rendering certain self-referral services. Please see the IHCP Provider Manual and the IAC for further information.*

Excluded Services

The Hoosier Healthwise program excludes some benefits from coverage under managed care. These excluded benefits are available under traditional Medicaid or other waiver programs and include long-term care, home and community-based waiver, and hospice services. Therefore, a Hoosier Healthwise member who is, or will be receiving these excluded services must be disenrolled from Hoosier Healthwise in order to be eligible for the services.